

Annual Report 2010/2011



EILDON
GROUP

Caring, Committed, Connected, Creative

Chairman's Report



Heather Cuckow
Chairman
Eildon Housing Association



Welcome to our 2010/11 Annual Report. The last year has once again proved to be stimulating, interesting, challenging and successful for Eildon Housing Association.

We have continued to grow our operations, providing 155 new homes in Galashiels, Kelso, Newtown St Boswells, Peebles, Selkirk and Yarrowford. This completes the excellent work with the Scottish Government and Scottish Borders Council as part of the Economic Recovery Programme, seeking to secure an economic stimulus in these difficult times whilst also providing much needed affordable housing for the people of the Borders. In my capacity as Chairman I was proud to recently receive a prestigious Scottish Home Award for Waterside Development of the Year for our Laidlaw Court development in Galashiels. Not resting on our laurels, we are now engaged in the development of a significant site in Peebles and have a number of other new developments in the pipeline.

I am also happy to report that our Care and Support Services continue to provide a high quality service to our tenants, residents and service users. The quality of our provision is recognised through Regulator reports, and we remain committed to continual improvement in this important area of work.

I am pleased to reiterate that Eildon remains a financially strong and well run organisation. However, the Board of the Association is clear that we cannot stand still in the current environment. Like all other businesses, the wider economic conditions continue to throw up some considerable challenges for us. I am therefore particularly pleased with the work we have undertaken this year to focus on reviewing our approach to managing the risks facing the Association. This will stand us in good stead in the years ahead, which we expect to be equally challenging.

Another area that I am glad to highlight in our report is the excellent work we have completed in reviewing our Mission and Values and, for the first time, introducing a Competency Framework setting out the behaviours we are seeking to promote within our staff group. In addition to this, all staff members have undergone refresher training in Customer Service Delivery, and we have a detailed action plan in place in response to what our customers told us in our recent customer satisfaction survey. I believe that all of this indicates our focus on continual improvement and the delivery of quality services. On behalf of the Board, I would like to thank our Staff, Executive Team and Chief Executive for all the hard work they have put in over the past year. I would also like to thank our tenants who we rely on to work closely with us to achieve these results.

As ever, we are indebted to the hard work and commitment of our voluntary Board Members. We continue to operate within our 'Smarter Governance' framework which has met with the approval of the Regulators and our Auditors. Whilst we are lucky to have high quality, experienced and stable Board membership, from time to time Board Members inevitably decide the time has come to retire. Mr Jimmy Walker stood down as a Board Member at our last AGM after 20 years of service over two periods on the Board. Jimmy has served Eildon with great distinction over the years, and I would like to take this opportunity to thank him for all of his efforts. We also extend a warm welcome to our new Board Member Mrs Diane Macdonald.

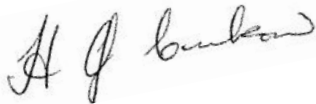
During the course of the year, we were sad to learn of the death of our former colleague and Vice Chairman



Dr. Margaret Auld

of Eildon Housing Association, Dr Margaret Auld. Margaret was well known and loved by Board and staff members alike and she will be sadly missed. She brought a great deal of expertise and energy to her involvement with Eildon over 19 years and she was a truly remarkable woman and was in particular a champion for quality care services.

Looking ahead the challenges facing our work are not lost on us. While funding constraints from Government are real, we also recognise that the individuals and communities we serve are facing difficult times too and we are determined to continue to develop our services to play our part in seeking to address these issues.



Heather Cuckow



Eildon Tweed Valley Housing Association

This subsidiary of the Eildon Group is currently dormant.

The Board of Eildon Housing Association is currently reviewing the structure of the Eildon Group and the future role of Eildon Tweed Valley Housing Association is being considered in this context.



Trevor Burrows, Chairman
Eildon Enterprise Ltd



Eildon Enterprise

As Chairman of Eildon Enterprise, a subsidiary organisation within the Eildon Group, I am delighted to report another very successful year delivering important projects in the Borders.

As with the Group as a whole, the Board of Eildon Enterprise has given a great deal of thought to how we position ourselves in the current climate. This has informed the adoption of a new Business Plan which will guide our work during 2011/12, and which seeks to respond to the changing funding and business opportunities that exist.

Our flagship Care and Repair service continues to go from strength to strength. This service delivers vital support to disabled and older households in the owner occupied and private rented sectors, and is the essence of the type of 'preventative service' that local and national government are seeking to promote. Following funding changes, we are reshaping the service in the current year in order to make it sustainable in the long term.

As a result of funding changes within Scottish Enterprise, Eildon Enterprise have ended our 9 year long relationship with the Building Construction Industry Forum (BCIF) this year. However, I am delighted to report that we were successful in transferring this service to Borders College where it can continue to play an important role in supporting construction activity in the Borders.

Looking to the future, Eildon Enterprise will continue to develop new services where there is a need. We are currently working on proposals for the provision of mid market rented properties in the Borders and we will progress these plans during 2011/12.



Trevor Burrows

Housing Services

Financial Inclusion

This has been another busy year for the service, particularly with many of our tenants and sharing owners being affected by the recession and needing help and support through the complex benefits system.

We received 346 referrals and managed to make contact with all clients within our target timescales, which range from 5-15 days depending on the reason for getting in touch. When the total amount of financial benefits gained is calculated over a year then a staggering £1,145,369 has been secured.

Despite the difficult financial times we have performed ahead of our target for rent collection. Regrettably, despite our best efforts to agree other solutions we carried out four evictions last year.

Adaptations

We have carried out 29 adaptations to properties at a cost of £40,730. Unfortunately tenants have waited an average of 28 weeks from the date of the adaptation being requested until the work has been completed (compared with 10 weeks last year), this has been largely due to our having exhausted our reduced funding allocation early on in the year. We will be positively engaging with the forthcoming Scottish Government review on adaptations funding, given the significance of adaptations enabling people to continue to remain independent at home.

Performance Indicators

On the whole we performed well on our Key Performance Indicators as shown below. We have put in place a number of measures to reduce the amount of time we take to re-let empty homes and this is an area we are keen to do better on in the coming year.

SERVICE AREA	TARGET	ACTUAL
Rental income received	97%	99%
Rent lost through empty homes	1.03%	0.91%
Average no of days to re-let homes	20 days	24 days



Customer Satisfaction Survey

Our independent Customer Satisfaction Survey achieved a 53% response rate, which gives us confidence to act on these results. The aim of the survey was to assess customer satisfaction with the services we provide and to identify priorities for us as a landlord.

The overall results were positive, including 85% of tenants saying they were satisfied with us as a landlord and 2 out of 3 expressing satisfaction in how we take account of customers' views. On the repairs front, 87% of tenants were very or fairly satisfied with the service.

With input from Eildon Tenants' Organisation we have developed an Action Plan to address how we can do even better and improve on a number of areas, with progress being reported through our quarterly Tenants Newsletter.

Shared Equity Sales

We have embraced the requirements of delivering shared equity, which aims to help people on low incomes who wish to own their own home but who cannot afford to pay the full price.

We sold 12 flats at Laidlaw Court, Galashiels, completed the sale of a property at Sprouston, and sold 1 property at Newtown St Boswells.



Tenant Participation

Involving our tenants in decisions to be made about services and improvements which affect them continues to be important to us. Working through our Tenant Participation Officer (a post shared with Waverley Housing) we have taken forward a number of developments over the last year.



We engaged with Eildon Tenants' Organisation (ETO), a Registered Tenants' Organisation, to commission our Customer Satisfaction Survey.

We also launched the 'Good Neighbour Award' in the Spring, recognising selfless acts of Neighbourliness displayed across our communities.



Jim Calder of Innerleithen



We continue to develop our Tenant Opinion Panel which currently has 62 members. We very much value their contribution in giving us views on a wide range of topics as shown below:

AREA OF INTEREST	NO. OF TENANTS
Customer services	14
Estate management	9
Help with newsletter	8
Housing allocations and transfers	15
Local community issues	14
Maintenance and repairs	10
Tenant involvement suggestions	9
Planned maintenance	18
Rent and arrears	24

The year ahead sees further opportunities for tenant engagement on the development of a Scottish Social Housing Charter, a review of our Tenant Participation Strategy and of our Rent Policy.

Anti-Social Behaviour and Neighbour Difficulties

This year 110 cases of neighbour nuisance and anti-social behaviour were reported to the Association, 11 fewer than last year, with fewer complaints relating to noise. A reduction in the number of cases referred to us by the police reflects the restructure last year at Scottish Borders Council with the Anti-Social Behaviour Unit, becoming part of the Safer Communities Team which now has dedicated police staff within it. Feedback from complainants indicates an increase in satisfaction (compared with the previous year) with the way we are dealing with complaints of anti social behaviour. However, this is an area where there remains scope for continuing improvement and we are committed to working with tenants and others to improve the information we provide on our action and, in some cases, the limits of action available to us.

Border Choice Homes

The vast majority of our homes continue to be let through Borders Choice Homes. From October 2011, following a tendering exercise, we will deliver this service on an agency basis. During 2010/11 we re-let 194 homes compared with 174 the previous year, and we also successfully let an impressive 141 new homes compared with 36 the previous year.



Estate Management

More than 100 tenants joined staff on annual estate walkabouts during the summer to provide valuable feedback on what they think of their house, neighbourhood and the services we provide, and also agree any action required.



New Housing, Galashiels

Care & Support Services

Inspection Reports

The Care Commission, now known as Social Care & Social Work Improvement Scotland (SCSWIS), this year carried out inspections of Station Avenue, Craw Wood and the Tenancy Support Service and awarded grades ranging from 4 - Good to 5 - Very Good (out of a maximum of 6) for all themes covered, confirming the high standards of these services.

Craw Wood Care Home for People with Dementia

The home in Tweedbank has continued to develop in line with the Health and Social Work strategy to meet the needs of people with dementia. The 'Friends of Craw Wood' raised funds from various sources to create a landscaped sensory garden for the enjoyment of all residents which was opened on 13 May 2011.

Sheltered Housing Support Services

Our five developments throughout the Borders have continued to offer a high standard of support to tenants. Kitchens and boilers were replaced in the flats at **Riverside House, Peebles**.

The dining area at **Teviot Court, Hawick** was remodelled - *"it is much nicer now, lovely and bright with more room to get into the table, lunch times are very pleasant now"* - one resident commented.

Oakwood Park celebrated its 10th Anniversary and marked the occasion with a party.

Teviot Court celebrated its 20th Anniversary with an afternoon party, musical entertainment and superb buffet; the birthday cake was cut by one of the 'original' tenants.



Sheltered Housing, Oakwood Park



Sensory Garden, Craw Wood

Tenancy Support - Borders Wide Service

Our Tenancy Support Service helps people manage and sustain their tenancies, benefiting the individuals and the wider community. Funded in part by Scottish Borders Council, the service provided much needed support to 137 people compared to 128 in the previous year.

STEPS, a pilot service funded by Wider Role to help homeless people to prepare and set up a tenancy, worked with 119 people. Funding was for one year in the first instance but has recently been extended for a second year. *"They helped me start out with a new life... owing to the excellent support received... I am now able to cope to a large extent and manage my daily routine. Thank you for providing such an invaluable service."* - commented one person.

Station Avenue

This service in Duns helps people with learning disabilities make the most of their lives and has been making particular efforts to promote involvement and help service users to take as much control of their own lives as possible. Service users have been supported to join in various clubs and activities in the local community including line dancing, bowling, darts, rugby, the library, swimming, aerobics, recreational rebound and speedway.

Holidays were high on the agenda and service users were assisted with breaks to Stirling, Dunfermline, Edinburgh, Aberdeen, Scarborough and an adventure holiday in the Peak District.

A new office has greatly improved the space for management, administration and meetings.

Development Update

Eildon's Development Section has this year delivered an £8.7 million programme and completed a record 156 new homes for rent and shared equity in Galashiels, Newtown St Boswells, Selkirk, Yarrowford, Kelso and Peebles, including a single unit developed and transferred to SBHA. This outcome is the result of Eildon taking the opportunity to forward fund projects, and thus take advantage of the accelerated funding made available by the Scottish Government. Work also started on the first project in the multi-agency Peebles Housing Strategy to provide both mainstream and extra care housing at Dovecote Road.

Eildon was also awarded Preferred Developer status for the Scottish Borders by the Scottish Government and Scottish Borders Council.



New Housing, Yarrowford

Eildon were particularly proud to receive a Scottish Home Award for 'Waterside Development of the Year' for Laidlaw Court, Galashiels against strong competition from a number of national private house builders.



New Housing, Penman Place, Galashiels



Receiving Scottish Home Award 2011

Significant reductions in the level of grant funding available both nationally and locally, along with changes in the funding regime for delivering affordable housing, brings a period of uncertainty and will lead to a slow down in the supply of new affordable housing.

Eildon recognises that there are challenging times ahead and has a willingness to engage in innovative solutions and new funding models to assist the delivery of affordable housing in the Scottish Borders. Eildon has the capacity to continue to develop and will take a positive approach where it can be demonstrated that the arrangement is commercially sound, is sustainable and not to the detriment of the viability of the Association as a business or to the quality of the service provided to its tenants and customers.



Laidlaw Court, Galashiels

Property Management

Eildon's Property Management section has a strong customer focus and is responsible for reactive, cyclical and planned maintenance of the Association's housing stock, offices and commercial properties. Overall customer satisfaction levels have remained high at 96.67%.

Reactive Maintenance

Last winter was the second consecutive year of prolonged severe weather conditions leading to a corresponding rise in the number of tenant requests made and works orders issued for reactive maintenance. The Association's staff and its contractors were able to continue to deliver a high quality service during this period.

The Association issued 4,428 works orders and spent £606K on reactive maintenance including £158K on re-let repairs.

Our out of hours emergency service continues to provide a high level of customer satisfaction for its tenants throughout the year with an 89% satisfaction level.

We completed 100% of emergency repairs, 98% of urgent repairs and 97% of routine repairs within target response times.



Cyclical Maintenance



Painter Work

Cyclical Maintenance

Eildon continues to deliver a programme of cyclical maintenance for its tenants to ensure that the fabric of its housing stock is in good condition and compliant with legislative requirements.

Eildon carried out external redecoration to 330 properties, roof maintenance to all homes, grounds maintenance for 1,746 properties, issued 137 Energy Performance Certificates and spent £253K on cyclical maintenance.

Planned Maintenance

Currently 95.6% of the Association's stock meets the Scottish Housing Quality Standard (SHQS). The Association is on target to have 100% of its stock meeting SHQS by 2015.

Eildon spent £715K on planned maintenance which included the modernisation of 68 kitchens and replacement of 98 central heating systems.

REACTIVE MAINTENANCE	TARGET	ACTUAL
Emergency repairs on time	100%	100%
Urgent repairs on time	98%	98%
Routine repairs on time	98%	97%



Eildon delivers the Care and Repair service in the Scottish Borders via a contract with Scottish Borders Council.

The primary aim of Borders

Care and Repair is to enable older and disabled people to remain in their own homes by providing a Home Handyman service, help and advice on repairs, improvements and adaptations. We also ensure that work undertaken is carried out to a high standard.

NUMBER OF CASES	2010/2011
Major adaptations	155
Minor adaptations	412
Handyperson - general services	3,999
TOTAL	4,566

CAPITAL EXPENDITURE (GRANTS)	2010/2011 £'000s
Below Tolerable Standard/Major adaptations	591
Small repairs/adaptations	85
TOTAL	676

Grant funding for 2010/11 accounted for 90% of the £676k spent on all 'Below Tolerable Standard' properties and adaptations, with the balance being funded through clients' contributions.

Milestones achieved over the last year included:

- Completion of our 20,000th case.
- Contract to deliver the service has been extended for a further year.
- New arrangements agreed for charging for handyperson service from April 2011.
- Completion of the Falls Prevention pilot, in conjunction with NHS Borders, aimed to reduce admissions to hospital. The outcome demonstrated a significant reduction in the number of falls thus benefiting both clients and support services. A successful application has been made to the Change Fund to mainstream this activity.
- Commenced delivering stage 3 adaptations for other Borders housing associations.
- Cited as an example of good practice in the Care & Repair Scotland Good Practice Guide.



The Building and Construction Industry Forum (BCIF) continued

to provide support to businesses across the South of Scotland in the construction sector.

With difficult economic conditions, the main focus of activity over the year was in relation to one to one business support and advice, understanding procurement, and workshops focussing on practical tips for businesses when completing tenders, which were well attended.

Funding for the service ended in March 2011 and in April 2011 BCIF transferred from Eildon Enterprise to Borders College. Integrated into the South of Scotland Business Solutions Services, the move secures the future of BCIF and ensures that it is still able to provide support and advice to local businesses.

DEVELOPING CONSTRUCTION TARGETS 2010/2011	TARGET	ACTUAL
Deliver 1:1 business support and advice	40	65
Specialist demand led training solutions	Number 20 Delegates 120	37 186
Assist businesses with tender completion	20	31

Migrant Support & Peer Mentoring Services

The successful Migrant Support Service, funded by the Fairer Borders Fund came to an end on 31 March leaving a lasting legacy of the website newtotheborders.com.

Our Peer Mentoring Service, funded by the Big Lottery will end in August 2011. Both services have greatly contributed to enhancing the confidence of migrants and have highlighted the responses required of agencies when working with people from different cultures and for whom English is not a first language.



Borders Care & Repair Services

Eildon Housing Association: Income & Expenditure

This year was the first full year following the rationalisation of the Group's office accommodation and the introduction of a new management information system. This is reflected in the reduction in the overall cost base when adjusted for the increase on landlord's costs of maintenance and stock depreciation, which in turn is reflected in the increase on the surplus of £178k.

The Group's Surplus for Year after tax was £568k which given that the assets employed less loans are £111m is a return of 0.51%. Such a return on capital employed is normal for the Association (last year it was 0.36%). Usually a standalone entity such as Eildon would not be able to sustain a position where the company continuously generates this level of return. However the Association can thrive under these circumstances for two reasons.

Eildon Group

Income	£'000	%
Rental income	6,076	55%
Care support & service charges	1,603	15%
Agency fees	2,997	27%
Other income	321	3%
Development income	2	0%
TOTAL	10,999	100%

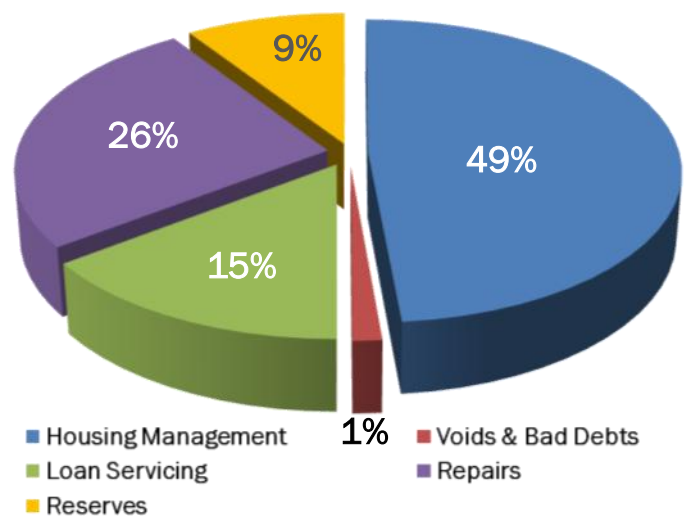
Expenditure	£'000	%
Housing management	1,862	18%
Maintenance costs	1,693	16%
Housing depreciation	531	5%
Care support & service costs	2,491	24%
Agency	719	7%
Other costs	1,802	17%
Development costs	434	4%
Loan interest	899	9%
TOTAL	10,431	100%
Surplus for Year	568	

Firstly, we are a non-profit distributing organisation, this allows the Association to use any surpluses for the future maintenance of our houses. Secondly, the receipt of capital grants from the Government in the past has allowed the Association to develop and let our houses at affordable levels.

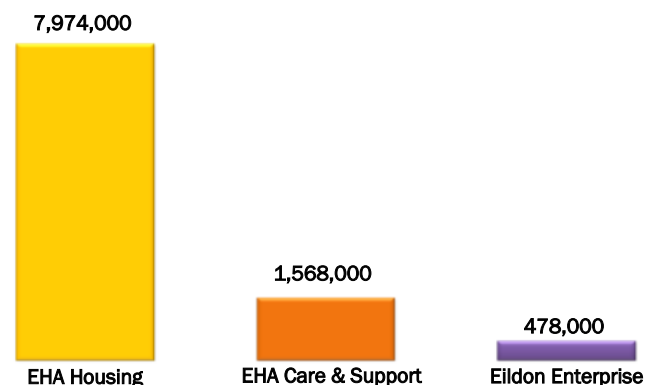
Looking forward, the Association faces the twin challenges of decreasing care income from Scottish Borders Council Social Work Department and greatly reduced capital grants when developing new houses to satisfy housing need in the Borders. In keeping with a business that has a long term horizon the various strategies to cope with these challenges have been devised and then stress tested well into the future to establish the Association's appetite for continuing with these activities.

Annual Rental Income £6,075,541

Breakdown of how rental income is spent.



Aggregate Turnover 2010/2011



Chief Executive Officer's Statement



This Annual Report summarises what has been a very busy and productive year for the Eildon Group. It also provides a useful opportunity for me after my first full year as Chief Executive to both reflect on our performance over the last year and also consider our priorities over the coming years.

Eildon rightly has a strong reputation as one of Scotland's leading housing associations. However, I recognise that it is important that we do not simply become complacent about our position. The work we have taken forward over the last year, and set out in the preceding pages of this report, I think demonstrates our commitment to continually improve our services and how we relate to our customers. We are committed to continue this approach in the years ahead.

For Eildon, as with other businesses and households alike, the current economic conditions present a significant challenge for us. Some of our traditional sources of income from public sector sources are under pressure, and other costs to the Association are rising. However, the heart of what we do is providing high quality and affordable housing and care services to our customers both now and into the future. Protecting our ability to make this commitment crucially depends on the long term financial strength of the business, which is why we have spent a lot of time thinking about these issues over the last year.

We are being challenged, both by Government and the current circumstances, to think about new models of delivering housing and care services and we are responding to that challenge. We are committed to continue our close working relationship with the Scottish Government and local partnership arrangements with Scottish Borders Council and fellow Registered Social Landlords. These collaborations have already been, and will continue to be, important in terms of delivering high quality, joined up activities.

We will also continue to explore the use of new technology to assist our business operations, with current work on-going related to: further development of our website, new ways of enabling our staff to work on a mobile basis, more efficient processes in how we relate to the contractors we use, and improving the way we deal with customer service issues. We also appreciate that for many of our customers the key relationship they have with us is through specific members of staff, and we will ensure that this is recognised and strengthened as we further improve our internal systems.

I would also like to take this opportunity to acknowledge the work of Eildon staff members. Since joining the organisation in April 2010 I have been continually impressed by the hard work and dedication that is demonstrated by our staff members, who are all focussed on achieving our mission of excellence in the provision of housing and care services of the individuals and communities we serve.



**Nile Istephan, Secretary and
Chief Executive
Eildon Housing Association Ltd**



The Weaving Shed



Eildon HA Board

Mrs Heather Cuckow
 Professor Don Brydon
 Mr Trevor Burrows
 Mr Martyn Clark
 Mr Henry Coyle
 Mrs Caroline Lang
 Mr Reg Long
 Mrs Diane Macdonald
 Mrs Jane Malcolm
 Mr Ken Purslow
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 Mr Bill Wilkie, MBE



Caring, Committed, Connected, Creative

Eildon Enterprise Ltd

Mr Trevor Burrows
 Mrs Heather Cuckow
 Mr Ian Jarvie, MBE
 Mrs Caroline Lang
 Mr Reg Long
 Dr Julian Pace
 Mr Bill Wilkie, MBE

Eildon Housing general information:

- Charitable Housing Association registered in 1973
- Area of Operation: Scottish Borders (1,800 sq miles)
- Employs 167 staff 47% of whom deliver care and support services
- Member of the Borders Housing Network representing the 4 Registered Social Landlords in the Scottish Borders
- Member of Borders Choice Homes, the common housing register for 3 Registered Social Landlords in the Borders
- Owns over 2000 properties, 95.6% of which satisfy the Scottish Housing Quality Standard



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